

**FRONTIER BANK FSB**

	CPP Disbursement Date 12/23/2008	Cert 34738	Number of Insured Depository Institutions 1		
Selected balance and off-balance sheet items	2009 \$ millions	2010 \$ millions	%chg from prev		
Assets	\$369	\$313	-15.1%		
Loans	\$255	\$237	-7.3%		
Construction & development	\$45	\$33	-26.3%		
Closed-end 1-4 family residential	\$115	\$113	-1.9%		
Home equity	\$14	\$15	5.9%		
Credit card	\$0	\$0			
Other consumer	\$8	\$6	-29.2%		
Commercial & Industrial	\$16	\$15	-4.1%		
Commercial real estate	\$48	\$45	-6.0%		
Unused commitments	\$24	\$42	74.9%		
Securitization outstanding principal	\$0	\$0			
Mortgage-backed securities (GSE and private issue)	\$4	\$2	-50.3%		
Asset-backed securities	\$0	\$0			
Other securities	\$0	\$0			
Cash & balances due	\$63	\$13	-80.1%		
Residential mortgage originations					
Closed-end mortgage originated for sale (quarter)	\$0	\$0			
Open-end HELOC originated for sale (quarter)	\$0	\$0			
Closed-end mortgage originations sold (quarter)	\$0	\$0			
Open-end HELOC originations sold (quarter)	\$0	\$0			
Liabilities	\$339	\$296	-12.7%		
Deposits	\$304	\$268	-11.8%		
Total other borrowings	\$35	\$28	-21.4%		
FHLB advances	\$0	\$0			
Equity					
Equity capital at quarter end	\$30	\$17	-43.0%		
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$0	\$0	NA		
Performance Ratios					
Tier 1 leverage ratio	7.5%	5.4%	--		
Tier 1 risk based capital ratio	11.6%	8.1%	--		
Total risk based capital ratio	12.7%	9.3%	--		
Return on equity <sup>1</sup>	-32.8%	-62.9%	--		
Return on assets <sup>1</sup>	-2.7%	-3.6%	--		
Net interest margin <sup>1</sup>	3.7%	4.3%	--		
Coverage ratio {(ALLL+Alloc transfer risk)/Noncurrent loans}}	17.8%	17.6%	--		
Loss provision to net charge-offs (qtr)	81.7%	74.5%	--		
Net charge-offs to average loans and leases <sup>1</sup>	9.7%	1.8%	--		
<sup>1</sup> Quarterly, annualized.					
	Noncurrent Loans		Gross Charge-Offs		
Asset Quality (% of Total Loan Type)	2009	2010	2009	2010	
Construction & development	8.3%	25.0%	3.6%	1.5%	--
Closed-end 1-4 family residential	5.1%	7.0%	2.5%	0.3%	--
Home equity	1.3%	0.4%	1.3%	0.2%	--
Credit card	0.0%	0.0%	0.0%	0.0%	--
Other consumer	3.8%	13.6%	4.1%	0.0%	--
Commercial & Industrial	2.4%	25.7%	2.5%	1.0%	--
Commercial real estate	8.7%	12.4%	1.5%	-0.1%	--
Total loans	5.7%	11.2%	2.4%	0.4%	--